

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

HANNA KARCHO POLSELLI,
AUSTRIAN HOTEL MANAGEMENT LLC,
ELMAR HOTEL MANAGEMENT,
WEST COAST INVESTMENT FUND, LLC
BLOCKROCK FINANCIAL PARTNERS, LLC
INDIAN HOTEL EQUITIES, LLC
RESORT AMERICA, LLC
ALLEGiant EQUITIES, LLC,
PACIFIC SHORES, LLC, and
WALL STREET VENTURES, LLC,

Case No.
Hon.

Petitioners,

v.

UNITED STATES OF AMERICA,

Respondent.

/

PETITION TO QUASH SUMMONSES

Petitioners Hanna Karcho Polselli, Austrian Hotel Management LLC, Elmar Hotel Management, West Coast Investment Fund, LLC, Blockrock Financial Partners, LLC, Indian Hotel Equities, LLC, Resort America, LLC, Allegiant Equities, LLC, Pacific Shores, LLC, and Wall Street Ventures, LLC (“Petitioners”), by and through their counsel, ABRAHAM & ROSE, P.L.C., for their petition to quash Internal Revenue Service (“IRS”) administrative summonses, allege the following:

JURISDICTION

1. This action seeks to quash IRS administrative summonses captioned in “In the of Remo Polselli.”

2. This Court has jurisdiction over this matter pursuant to 26 U.S.C. § 7609(h) and 28 U.S.C. § 1340.

3. Venue is appropriate pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omissions giving rise to the action occurred in the Eastern District of Michigan.

PARTIES

4. Petitioners are separate legal entities whose confidential information the Respondent improperly summoned.

5. Respondent is the United States of America specifically acting through the United States Department of Treasury and the IRS.

6. Remo Polselli (the “Taxpayer”) is the actual taxpayer whose liability is purportedly targeted for collection through Respondent’s summonses.

CAUSE OF ACTION

7. On March 8, 2019, “In the Matter of Remo Polselli,” Internal Revenue Officer Michael Bryant issued administrative summonses to Wells Fargo Bank, N.A. (**Ex. A**).

8. The summonses broadly requested the production of Petitioner's bank records "for the period of January 1, 2018 to Present." (*Id.*; see **Ex. B**).

9. Petitioners never received the requisite third-party notices pursuant to 26 U.S.C. § 7609(a).

10. Petitioners are separate legal entities that are not indebted to Respondent or delinquent with Respondent's filing requirements.

11. The summonses are invalid because they fail to satisfy three of the four criteria under *United States v. Powell*, 379 U.S. 48 (1964), for judicial enforcement of an IRS administrative summons.

(A) There is no legitimate purpose for investigating the items listed in the summonses. Again, Petitioners are separate and distinct legal entities from the Taxpayer.

(B) The information targeted in the summonses is not relevant to the collection measures taken against the Taxpayer.

(C) Petitioners admit that the requested information is not currently in Respondent's possession. This is the only element of the *Powell* test that Respondent has satisfied.

(D) Respondent has not followed proper administrative procedures since it failed to serve Petitioners with the requisite third-party notices under 26 U.S.C. § 7609(a). Without proper service of these notices, the summonses are invalid. In addition, because the summonses are likely to uncover third-party information for each entity listed therein, Respondent must comply with the notice provisions in 26 U.S.C. § 7609(a) for each of those entities.

12. Coincident with the filing of this Petition to quash, copies of this Petition have been or will be sent by registered or certified mail to the persons summoned and the Internal Revenue Service officers and offices listed on each summons.

In view of the foregoing, Petitioners respectfully request that the Court quash the summonses and award all other just and appropriate relief.

Respectfully submitted,

Dated: April 1, 2018

/s/ Jerry R. Abraham

Jerry R. Abraham (P45768)

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